

*Private Fuel Storage, LLC*

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Robert M. Palmberg, Chairman of the Board  
(608) 787-1483

December 20, 2012

DOCKET NO. 72-22  
LICENSE NO. SNM-2513

Document Control Desk  
Director, Division of Spent Fuel Storage and Transportation  
Office of Nuclear Material Safety and Safeguards  
US Nuclear Regulatory Commission  
Washington DC 20555-0001

**SUBJECT: Termination of NRC License No. SNM-2513 for Private Fuel Storage LLC**

The purpose of this letter is to request that the Nuclear Regulatory Commission (NRC) terminate License No. SNM-2513 (the License) pursuant to 10 C.F.R. § 72.54(c).

The License was issued to Private Fuel Storage LLC (PFS) for the Private Fuel Storage Facility (PFSF) by the NRC on February 26, 2006. However, PFS never undertook the Authorized Use set forth in the License. Conditions included in the License that had to be met prior to construction or operation of the PFSF were not satisfied and, therefore, no construction or operation of the PFSF ever occurred.

Condition 19 of the License stated, "Construction of the PFSF shall not commence before funding (equity, revenue, and debt) is fully committed, that is adequate to construct a facility with the initial capacity as specified by the licensee to the NRC. Construction of any additional capacity beyond this initial capacity amount shall commence only after funding is fully committed that is adequate to construct such additional capacity." No funding was committed to construct the facility and this condition was never satisfied. Therefore, construction of the PFSF could not occur.

Condition 20 of the License stated, "The licensee shall not commence operation of the PFSF unless it has in place pass-through service contracts with its customers, in substantially the form submitted to and approved by the Atomic Safety and Licensing Board, covering all costs relating to the customers' spent fuel, including common expenses of the PFSF, throughout the storage term for all spent fuel accepted at the PFSF." No pass-through service contracts with customers were put in place and this condition was never satisfied. Therefore, operation of the PFSF could not occur. Similarly, collection of funding for decommissioning financial assurance was never made.

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In addition, the lease between PFS and the Skull Valley Band of Goshute Indians (the Band) for the use of land that was to be the "licensed site" of the PFSF on the Band's reservation in Tooele County, Utah was not approved by the U S Department of the Interior, Bureau of Indian Affairs.

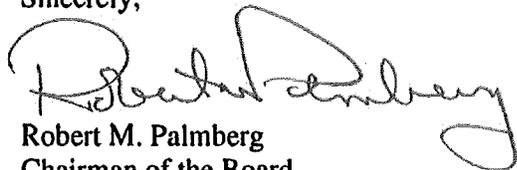
Since there is no site, there was no construction of the PFSF, there is no physical facility, and no spent fuel or any other form of radioactive material was ever received or stored, the decommissioning-related requirements of 10 CFR § 72.54, **Expiration and termination of licenses and decommissioning of sites and separate buildings or outdoor areas**, do not apply.

Because neither construction nor operation of the PFSF ever commenced, termination of the License will have no environmental impact and therefore no mitigation actions are necessary.

It is, therefore, requested that the NRC terminate the License immediately without further action and without any future licensing fees being incurred.

If you have any questions regarding this matter, please feel free to contact me at (608) 787-1483 or Terry Pickens at (612) 330-1906.

Sincerely,



Robert M. Palmberg  
Chairman of the Board

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cc: Mary Spencer, Esq., NRC Office of General Counsel  
Chris Allen, NRC Project Manager  
Connie Nakahara, State of Utah